REMARKS

The present application has been reviewed in light of the Office Action dated May 17, 2007. Claims 1-7 are presented for examination, of which Claims 1 and 6 are in independent form. Claims 1, 5, and 6 have been amended to define Applicants' invention more clearly.

Initially, Applicants note that a clerical error in the first paragraph of the specification has been corrected. The Provisional Application that U.S. Patent Application 10/192,488 claims priority to, has been updated to correctly identify Provisional Application 60/304,216. Entry of the amendment is respectfully requested.

The Office Action states that "the application is not entitled to the priority date of the parent applications...because the cited parent applications does not disclose calling card application [sic]" (see Office Action pgs. 2-3). Applicants respectfully disagree. At the very least, U.S. Patent Application 10/435,420 (hereinafter Application '420), as originally filed on May 9, 2003, provides support for the instant claims and in particular the use of calling cards. Paragraph 22 of Application '420 clearly recites "a financial transaction instrument may include a...telephone card." While the term "calling card" is not explicitly utilized in Application '420, one of ordinary skill in the art at the time of filing Application '420 would have clearly understood that the terms "telephone card" and "calling card" are interchangeable. Accordingly, Applicants maintain that Application '420 provides support for the use of calling cards. Furthermore, support for the remaining features of each independent claim can be found in Application '420 in at least paragraphs 22, 32-33 and 35. Thus, Applicants maintain that the instant Application

must be afforded at least a priority date of May 9, 2003, the filing date of Application '420.

The Office Action objected to the Abstract. Applicants have carefully reviewed and amended the Abstract, as deemed necessary, with special attention to the points raised in section 4 of the Office Action. It is believed that the objection, has been obviated, and its withdrawal is therefore respectfully requested.

Claims 1-7 were objected to for including the phrases "operable to" and "configured to." The Office Action states that "language that suggests or makes optional but does not require steps to be performed or does not limit a claim to a particular structure, does not limit the scope of a claim or claim limitation" (*see* Office Action pg. 3). The Office Action further states that the use of such phrases "does not constitute a limitation in any patentable sense" (*see* Office Action pg. 3). The Office Action cites *In re Hutchison*, 69 USPQ 138 (Cust. & Pat.App. 1946), in support of this characterization. Applicants respectfully disagree with this characterization and the reliance on *Hutchison*. *Hutchison* is a case from 1946, Applicants direct the Office to more recent case law and MPEP § 2111.04 that specifically addresses the use phrases analogous to "operable to" and "configured to" within system and method claims:

The determination of whether each of these clauses is a limitation in a claim depends on the specific facts of the case. In *Hoffer v. Microsoft Corp.*, 405 F.3d 1326, 1329, 74 USPQ2d 1481, 1483 (Fed. Cir. 2005), the court held that when a "'whereby' clause states a condition that is material to patentability, it cannot be ignored in order to change the substance of the invention." *Id.* However, the court noted (quoting *Minton v. Nat'l Ass'n of Securities Dealers, Inc.*, 336 F.3d 1373, 1381, 67 USPQ2d 1614, 1620 (Fed. Cir. 2003)) that a "'whereby clause in a method claim is not given weight when it simply expresses the intended result of

a process step positively recited." Id.

MPEP § 2111.04 (emphasis added).

Applicants maintain that the instant claims recite conditions that are clearly material to patentability (e.g. the capability to complete a calling card call) and thus cannot be ignored or rendered optional as the Office appears to assert. Should the Office maintain this rejection then Applicants respectfully request further guidance as to the legal basis for the objection. In view of the above comments, it is believed that the objection, has been obviated, and its withdrawal is therefore respectfully requested.

The Office Action also objects to the limitations "said second data set" and "said first and second call carrier having no value" in Claims 1 and 5, respectively. Without conceding the propriety of this objection Claims 1 and 5 have been amended to further prosecution. Withdrawal of this objection is therefore respectfully requested.

The Office Action also objects to Claim 7 and states "since the [claim] does not set forth any steps involved in the method/process, it is unclear what method/process applicant is intending to encompass." Claim 7 is directed to a <u>system claim</u> and not a method or process claim. Accordingly, in Claim 7, Applicants have further defined the <u>system structure</u> of Claim 6, *e.g.* "a remote calling card validation database." In view of the above comments, it is believed that the objection to Claim 7, has been obviated, and its withdrawal is therefore respectfully requested.

The Office Action states that Claim 1-7 were rejected under non-statutory obviousness-type double patenting, as being unpatentable over Claim 10-14 of U.S. Patent No. 7,119,659 (*Bonalle*), in view of U.S. Patent No. 4,868,849 (*Tamaoki*); and Claim 11-14 of U.S. Patent No. 7,172,112 (*Bonalle*), in view of *Tamaoki*. Claims 1-7

were provisionally rejected under non-statutory obviousness-type double patenting, as being unpatentable over Claims 1, 10, and 14 of U.S. Patent Application No. 10/708,550 (*Beenau_1*), in view of *Tamaoki*; and Claim 1-3 and 15 of U.S. Patent Application No. 10/708,585 (*Beenau_2*), in view of *Tamaoki*.

In order to advance the prosecution of the present application and issuance of the claims, Applicants will file a terminal disclaimer should the claims be deemed allowable and if appropriate under 37 C.F.R. 1.321.

The Office Action states that Claims 1-7 are rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent Application Publication No. 2004/0249839 (*Beenau_3*); and Claims 1-7 are rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent Number 6,747,546 (*Hikita*), in view of U.S. Patent Number 4,868,849 (*Tamaoki*). Applicants submit that amended independent Claims 1 and 6, together with the claims dependent therefrom, are patentably distinct from the cited prior art for at least the following reasons.

Foremost, *Beenau_3* does not appear to be eligible prior art under 35 U.S.C. § 102(e). As discussed above, Applicants maintain that the instant Application must be afforded at least a priority date of May 9, 2003, the filing date of Application 10/435,420. *Beenau_3* was filed on March 12, 2004, and its earliest claim to priority is to Application 10/435,420, filed May 9, 2003. The earliest priority date of *Beenau_3* falls on the same day of Applicants' priority claim and is therefore not available as prior art under 35 U.S.C. § 102(e). It is believed that the rejection under 35 U.S.C. § 102(e), has been obviated, and its withdrawal is therefore respectfully requested.

Amended independent Claim 1 recites "adding a header to at least one of said first and second call carrier data sets, the header identifying at least a status condition of the at least one of said first and second call carrier data sets." Support for this amendment can be found in at least paragraph 35 of Application 10/435,420, which this Application claims priority to, as originally filed.

Hikita is directed to "a data communication transponder" including "a plurality of storage areas for storing data used when the transponder communicates individually" with interrogators that are managed by different parties (see e.g. Col 2, lines 30-40). Hikita is primarily concerned with secure storage and access of the stored data (see Col 2, lines 36-48). As best understood by Applicants, Hikita does not include any "status condition" information within the data stored on the transponder. Furthermore, Kikita does not appear to disclose "adding a header...to [any] data sets" stored on the transponder, let alone disclose "adding a header...identifying a status condition," as recited by Claim 1.

Tamaoki fails to cure the deficiencies identified above with regard to Hikita. In particular, nothing has been found in Tamaoki to teach or suggest "adding a header to at least one data [set]...the header identifying...a status condition of the...data [set]," as recited by Claim 1.

Accordingly, Applicants submit that Claim 1 is allowable over *Hikita* and *Tamaoki*, taken separately or in any permissible combination, if any, and respectfully request withdrawal of the rejection under 35 U.S.C § 103(a). Independent Claim 6 includes features similar to that discussed above with respect to claim 1. Therefore, that claim is also believed to be patentable for at least the same reasons as discussed above.

The other rejected claims in this application depend from one or another of

the independent claims discussed above and, therefore, are submitted to be patentable for

at least the same reasons. Because each dependent claim also is deemed to define an

additional aspect of the invention, individual reconsideration of the patentability of each

claim on its own merits is respectfully requested.

In view of the foregoing amendments and remarks, Applicants respectfully

request favorable reconsideration and early passage to issue of the present application.

Applicants' undersigned attorney may be reached in our New York Office

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